



United States ~ Asia Environmental Partnership

Energy Wise India *implemented by* THE LOUIS BERGER GROUP, INC.



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SUBJECT: Energy Wise India Quarterly Report (4/1/03 – 6/30/03)
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Summary:

This past quarter was highlighted by a very successful series of Executive Workshops and Roundtables that took place throughout India. The Project Manager spent five weeks undertaking the workshops and meeting with companies to identify corporate champions for upcoming EWI activities. Several projects with great replication opportunities have been identified, and once approval for transparency has been provided by the companies, energy audits and data collection will commence.

Key Activities:

Executive Workshops

Almost 100 companies and over 200 executives attended the Executive Workshops in Mumbai, Bangalore, and the Executive Roundtables (which were more informal) in Bhubaneswar, and Calcutta. The purpose of these workshops was to present enterprise-wide strategies that can be implemented to promote ongoing energy efficiency strategies. Without the participation of top management, energy conservation measures tend to be fragmented and often disappear under the weight of other corporate needs. This program, put together by the EWI Team, including Dr. Jigar Shah, an expert in industrial energy efficiency from EWI subcontractor PACE Global Energy Services, was focused on engaging top management in long-term energy conservation strategies. The workshops were conducted with the assistance of the US-AEP India Regional Directors, who were able to pull together very distinguished audiences, and EWI partner industry associations such as the US Environmental Resource Center in Mumbai and Chamber of Indian Industry in Bhubaneswar and Calcutta.

Dr. Jigar Shah served as the headliner for the workshops and roundtables. PACE, a EWI private-sector partner, provided Dr. Shah's time over the ten day period as an in-kind donation. Based on a feedback survey, 98% of the attendees to the Mumbai and Bangalore meetings found Dr. Shah's information informative, and 92% reported that they would use the information in their own companies.

In addition to Dr. Shah's presentation, Chris Godlove of the Alliance to Save Energy presented on industrial applications of watergy management, and Suzanne Young of Louis Berger's USAID India's Greenhouse Gas Pollution Prevention Program provided information on greenhouse gas reduction opportunities. The workshops initiated a number of follow-on discussions where a number of companies voiced their interest in becoming EWI 'Corporate Champions' and participating in upcoming projects.

Identifying Corporate Champions and Replicable Projects

EWI is focused on finding projects to build the business case for proliferation of energy efficiency projects in the private sector. The projects should have a great potential for replication, with a significant number of facilities that can implement similar projects. Moving from demonstration to proliferation requires a corporate champion that is willing to be transparent and share financial, technical, and managerial issues related to energy efficiency projects, as well as the tools utilized to overcome hurdles. Through the workshops and roundtables, EWI was able to identify several projects with strong corporate champions and numerous facilities interested in implementing similar projects. Examples include:

Flue Gas Recovery-to-Energy

Indian Metal & Ferro Alloys Ltd., (IMFA) is considering a flue gas-to-energy project. During our meetings in the eastern region we found several large metal companies considering similar projects. We are currently discussing an EWI demonstration project with IMFA as the Corporate Champion. The project, which could bring an additional 12 MW of generation to Orissa's load center, would be advantageous for the company and the region. The IMFA Choudra plant employs 5,000 people, and is the cornerstone business for a community of 100,000. The other major manufacturers in the region have closed their plants. Through this project, Energy Wise India would promote the development of additional energy generation from a waste source and the capture of damaging emissions.

Cluster Approach to Energy Efficiency

The Peenya Industrial Cluster is the largest industrial cluster in Southeast Asia, consisting of over 2,000 active businesses. The Peenya Action Task Force is eager to undertake an energy efficiency program for the energy and water starved region. After a meeting with Sudhir Kant, President of the Peenya Action Task Force as well as the President of Millipore India, we met with a dozen firms interested in hosting energy audits to determine the best strategies for promoting energy efficiency programs within industry clusters. Activities would include the dispersion of energy management, technology information on metering and other auxiliary equipment, and information on rate of return for different types of energy efficiency investment. EWI will be undertaking energy audits in three types of

companies: large, medium and small. The sizes of companies have a big impact on which strategies are most viable as well as their appetite for investment and innovation.

Flagship Assessment for Craft Paper Mill

Craft paper mills are the most common type of paper mill in India, with over 200 small and medium size mills located mainly in the northern and southern regions of India. EWI proposes to undertake a flagship energy audit at a craft mill and utilize the information gathered for benchmarking similar mills throughout the country. The assessment will also create a protocol for auditing paper mills, evaluating energy use, air and GHG emissions, and water use. Several mills have already volunteered to host the flagship assessment at their site and become an EWI corporate champion.

Hotel Task Force

India has approximately 1,000 classified hotels with over 60,000 rooms. With several of our hotel corporate champions, EWI proposes to develop consumption norms for the hotel sector based on category. The findings will be shared at a Energy Wise Hotel workshop tentatively planned to take place in October.

Staffing Change

The EWI Project Coordinator based in Delhi, Kaushik Das, has left the project. We are currently looking for a replacement. Puja Nath has come on board as the EWI administrative assistant and office manager in Delhi. In Washington, Kate Iovanna has joined as a graduate fellow for the summer.

Next Steps:

The project manager will be posted in India for an extended TDY of three months to conduct the following activities:

- ✓ Undertake energy audits with corporate champions in Peenya Industrial Cluster
 - Develop protocols, training tools and outreach materials
 - Assist ESCOs and companies in identifying funding strategies for projects
 - Hold roundtable to share findings
- ✓ Undertake flagship assessment at craft paper mill
 - Develop protocols, training tools and outreach materials
 - Hold roundtable to share findings
- ✓ Conduct project evaluation for flue gas to energy project
 - Provide technical information
 - Develop protocols, training tools and outreach materials
 - Hold roundtable to share findings
 - Develop protocols, training tools and outreach materials
- ✓ Collect data on energy use in hotel sector
 - Hold conference on energy use norms

Deliverables Completed:

- ✓ Executive workshops

Deliverables in Process:

- ✓ Outreach materials
- ✓ Tools to develop energy efficiency programs and measure performance
- ✓ Facility assessment protocol and survey
- ✓ Practitioner training

Planned Activities for 3rd Quarter 2003:

- ✓ Flagship assessment of craft paper mill
- ✓ Development of protocols and implementation of energy audits for Peenya Industrial Cluster
- ✓ Roundtable on implementing flue gas to energy projects
- ✓ Hotel task force meeting

Expenditures to Date:

As of June 30, 2003 total billed to date on the EWI contract is \$185,500 with \$804,500 remaining.